

## POLITICS

Rehabilitation works of Enguri HPP finished



FULL STORY ON Page 2

United Nations Country Team presents annual progress report for Georgia

FULL STORY ON Page 2-3

## ECONOMICS | POLITICS

Georgian central bank raises monetary policy rate to 9.50%

FULL STORY ON Page 3

Georgia's Economy to Grow by 3.5% in 2021 - ADB

FULL STORY ON Page 3

# Ruling party and opposition register Amnesty draft laws



► The bill will be discussed at the next week's Bureau session.

BY NATALIA KOCHIASHVILI

The draft law on amnesty prepared by Georgian Dream has been registered in the Parliament of Georgia. The opposition bloc is working on an alternative version of the bill.

The opposition bloc bill will provide for the victim's consent mechanism and also, according to them, the amnesty should be extended only to those who have already been charged in the events of June 20-21.

The registration of two alternative amnesty bills was decided after a meeting on April 27 since the consensus couldn't be reached.

MP Shalva Shavgulidze said that the opposition, which signed the Charles Michel document, believes that the amnesty should cover the articles under which the protesters (Article 225 of the Criminal Code) and the police (Article 33 of the Criminal Code) are prosecuted.

"We constantly hear that Melia does not want bail or amnesty. He can leave the prison at any time, but he isn't doing so. As for bail and amnesty, in both cases, it is up to Melia to decide. Melia can either accept the amnesty law, or not. We will at least pardon the abuser Melia, this is our decision, whether he should enter the parliament or not, it is his decision," Kobakhidze said.

According to Kobakhidze, if the opposition does not support the bill and fails to reconcile, it will go against the agreement.

According to the Chairman of the Legal Affairs Committee Anri Okhanashvili, in the project of the Georgian Dream, all crimes committed in connection with the events of June 19-21 will be subject to amnesty. In addition, there will be a reservation and reference to a specific

article (Criminal Code 117). Georgian Dream does not share the principle of consent of the victims.

Mamuka Khazaradze, the founder of Lelo, who is a member of the current parliament, has initiated the establishment of a parliamentary inquiry commission

to investigate the developments in the vicinity of the parliament in June 2019.

Part of the opposition believes that the law should release only civil activists and the chairman of the National Movement from responsibility, while the ruling party thinks that it should be applied equally to most, but not to the articles protected by the international convention - humiliation or inhuman treatment.

Michelle's document says that in the interests of Georgia's political stability and for the implementation of the Agreement, 'the signatories undertake to respond within 2 weeks of the signing this Agreement to two issues perceived as politicized justice, through amnesty and / or measures that will have a similar effect. In particular, within a week after the signing of this agreement, the party represented in the parliament must initiate an amnesty law, which will address all violations and arrests related to the June 19-21, 2019 protests.

EU Delegation to Georgia released a statement on the implementation of the agreement reached on April 19 through EU mediation.

"We look forward to further steps to implement the agreement, in line with the agreed deadlines, to advance Georgia's democratic and rule of law agenda. We once again call on all elected members of parliament to join the agreement and promote its implementation in the interests of Georgia, its citizens, EU-Georgia relations and Georgia's Euro-Atlantic future."



► Mamuka Khazaradze initiates the establishment of a parliamentary commission on the June 20 case.



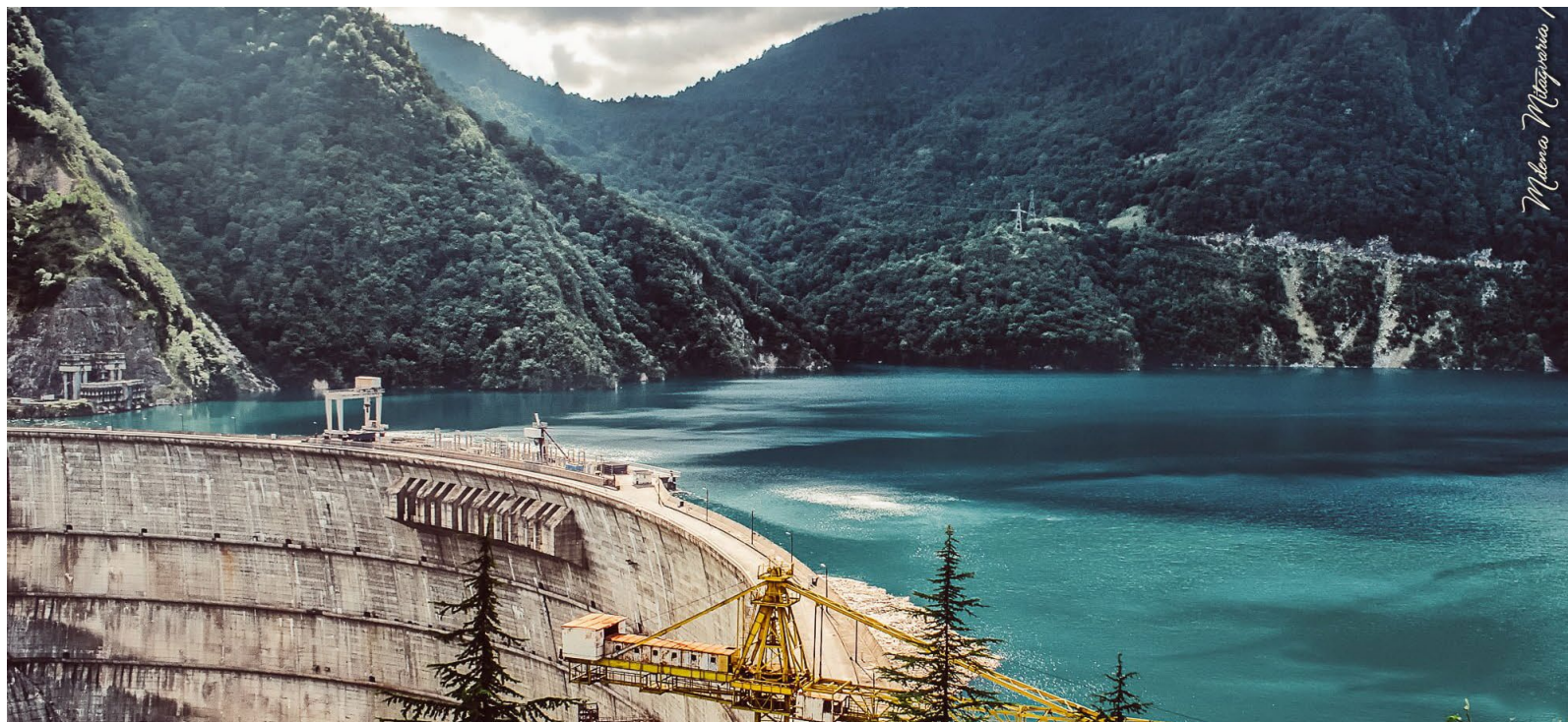
# Rehabilitation works of Enguri HPP finished

By KHATIA BZHALAVA

After three months of reconstruction works, Georgia's largest energy producer, Enguri hydropower plant, resumed power generation yesterday, reported Georgian Economy Minister Natia Turnava. All five units of Enguri HPP got shut down on January 20, 2021 (when the level of water is lowest in the Enguri) to repair the dam diversion tunnel, through which the water from the reservoir enters the turbines, as some sections of the tunnel were damaged and a large amount of water was leaking. The electricity loss resulting from the leaks in the tunnel reached up to 250 million kilowatt-hours per year. As a result of repairing works, the volume of water leaked from the tunnel has been significantly reduced, which will positively influence the electricity generation by the Enguri HPP.

Enguri HPP also supplies the country's Russian-occupied region of Abkhazia. As the economy minister remarked, Enguri HPP is "wealth that unites Georgians and our Abkhazian sisters and brothers." The HPP's concrete arch dam is located on the Tbilisi-controlled territory, while its five generators are stationed on the Abkhazian side, in the Gali district.

According to Turnava, such mass rehabilitation works have not been implemented in 15 years. As a result of repairing the HPP diversion tunnel, water loss will be reduced by 30-35%,



► The rehabilitation project cost €45 million. €7 million was received from the European Commission as a grant. €38 million is a loan from EBRD.



► As a result of renovation works, the volume of water leaked from the tunnel has been significantly reduced.

which means an additional up to 90 million kWh of electricity generation per year. As the minister noted, the rehabilitation works were carried out by Georgian company, however, foreign engineers and specialists were involved as well.

The rehabilitation project cost 45 million euros, of which €7 million was received from the European Commission as a grant and €38 million is a loan from the European Bank for Reconstruction and Development.

As the PM of Georgia Irakli Garibashvili has stated, Enguri HPP is very important for the country's energy independence and safety, as 40% of the country's power comes from this plant.

## United Nations Country Team presents annual progress report for Georgia

Tbilisi, 28 April 2021 – The United Nations Country Team in Georgia today organized a presentation of its achievements in 2020 to report progress in pursuing the joint UN-Georgia strategy "Partnership for Sustainable Development" agreed with the Government for 2016-2020. The event was designed to underscore the commitment by the UN agencies to "Deliver as

One" in alignment with national priorities and the Sustainable Development Goals.

Ilia Darchiashvili, Head of the Administration of the Government of Georgia, in his speech at the virtual presentation stressed the effective and efficient cooperation with the UN.

"Next year marks the 30th anniversary of Georgia's membership in the UN. Over these decades, UN support and engagement have been instrumental to the success of our country and today I would like to, once

again, thank the UN on behalf of our government. It has been a long journey with growing cooperation to achieve a world where no one is left behind. Throughout this time Georgia has become more actively engaged within the important ongoing processes at the UN, often playing a leading role in different intergovernmental negotiations and consultations across all three pillars of the UN," said Ilia Darchiashvili. "We look forward to continuing our partnership and remain open and ready for further ac-

tive cooperation with the UN Country Team. We believe that with joint efforts in the implementation of the 2030 Agenda for Sustainable Development, we can make the world a better place for everyone."

Mr. Darchiashvili outlined some areas of fruitful UN-Georgia cooperation: advancement of the sustainable development agenda, strengthening human rights and improvement of socio-economic conditions in Georgia, including the improved resilience of conflict-affected commu-

nities. He expressed particular appreciation to the UN Country Team for the dedicated efforts and continued support rendered to Georgia's response to the COVID-19 pandemic.

UN Resident Coordinator Sabine Machl underlined the shared commitment to leave no one behind, the overarching motto of the Sustainable Development Goals. She noted that, at USD 57.5 million for 2020, the UN contribution to

*Continued to page 2*

<b>THURSDAY</b>		<b>APRIL 29</b>
<b>Day</b>	Partly cloudy	High: <b>23°C</b>
<b>Night</b>	Rain	Low: <b>15°C</b>
<b>FRIDAY</b>		<b>APRIL 30</b>
<b>Day</b>	Partly cloudy	High: <b>22°C</b>
<b>Night</b>	RAIN	Low: <b>14°C</b>

published by **The Messenger**

43, Chovelidze st., Tbilisi, 0108, Georgia  
 Founded by Prof. **Zaza Gachechiladze**  
**Tamar Gachechiladze**  
 Publisher

Phone: +995 99 56 56 21; +995 77 76 00 00  
 E-mail: messenger@messenger.com.ge  
 http://www.messenger.com.ge

**Nino Metreveli**  
 Commercial Director

**Mariam Mchedlidze**  
 Editor-in-Chief

**Natalia Kochiashvili**  
 Executive Editor

**Nino Kavelashvili**  
 Design and Layout

The Messenger welcomes your contributions. If you are interested in submitting an article or news item please contact. All contributions should be submitted by e-mail. The Messenger Georgia's English language daily is an independent newspaper,

and, therefore, the opinions expressed in some articles do not necessarily coincide with those of the newspaper. We take no responsibility for any claims made in advertisements. The Messenger preserves the style of a source written in English where possible.



EXCHANGE RATES:

US DOLLAR - 3.4548 | EURO - 4.1727 | GBP - 4.8070 | 100 RUSSIAN RUBLE - 4.6121 | SWISS FRANC - 3.7811 |

# Georgian central bank raises monetary policy rate to 9.50%

By KHATIA BZHALAVA

The Monetary Policy Committee (MPC) of the National Bank of Georgia (NBG) has decided to raise the refinancing rate by 1 percentage point to 9.50%.

According to NBG's statement, the annual inflation reached 7.2 percent in March. The NBG explains that the reduction of inflation since last December was related to the subsidization of utility fees, however, ending the subsidy in March 2021 reflected in the upward shift of inflation. According to the updated forecast, the inflation rate will average at around 6.5% throughout 2021, before approaching the target, which is 3%. NBG notes that the forecast for economic growth is about 4% in the baseline scenario.

According to the statement, pressure on inflation is mainly coming from rising prices on international commodity markets, which is being reflected in the increased prices for oil products and selected food items, and the high dollarization of the economy. The NBG also names the high uncertainty around the tourism industry amid deteriorating epi-



► According to National Bank, pressure on inflation is mainly coming from rising prices on international commodity markets and the high dollarization of the economy.

demiological conditions as one of the key factors pressuring inflation upward.

"Given the prolonged deviation of inflation from its target and intensified inflationary pressures, the Committee decided to increase the monetary policy rate by 1 percentage point. A possible further tightening of monetary policy will depend on inflation expectations and the dynamics of factors affecting it," the statement reads.

According to the bank, the pressure on inflation coming from high dollarization and the exchange rate is still strong. In addition to limiting the efficiency of monetary policy, dollarization also carries risks of financial stability, therefore, its reduction remains a long-term priority. As NBG said, for this reason, starting from July, the minimum reserve requirements for funds attracted in a foreign currency



► The Monetary Policy Committee expects the inflation rate to average at around 6.5% throughout 2021 and then gradually approach the target.

will be determined individually, for each commercial bank, according to the dollarization of deposits.

"In particular, unless the deposit dollarization rate exceeds 40 percent, the reserve requirement norm will be reduced from 25 to 10 percent for funds borrowed in a foreign currency and with a remaining maturity of up to 1 year. If the deposit dollarization is 70 percent or above,

reserve requirements will still be 25 percent," NBG noted adding that if a bank's deposit dollarization lies within 40-70%, the reserve requirement will be decreased linearly from 25% to 10% in correspondence to a decrease in dollarization.

NBG believes that this change will support increasing the demand for GEL and easing the pressure on the foreign exchange market.

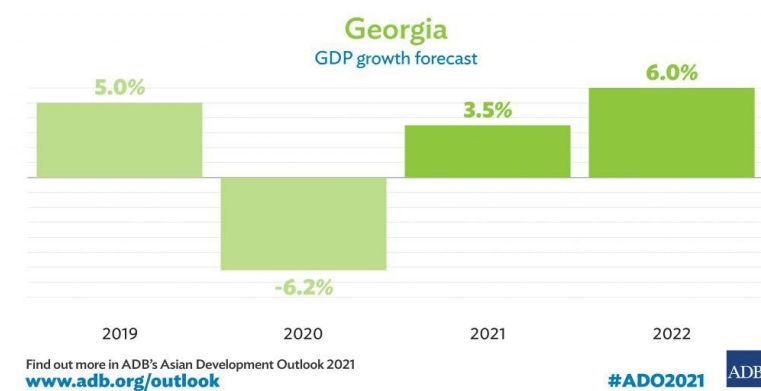
## Georgia's Economy to Grow by 3.5% in 2021 — ADB

TBILISI, GEORGIA (28 April 2021) - The Georgian economy is expected to grow by 3.5% in 2021, rebounding with the gradual lifting of the coronavirus disease (COVID-19) pandemic restrictions and revival of domestic demand, according to a new Asian Development Bank (ADB) report.

In Asian Development Outlook (ADO) 2021, the bank's flagship annual economic publication, ADB projected Georgia's gross domestic product (GDP) growth to accelerate to 6% in 2022 as a full reopening of the economy and expected recovery in tourism boost travel and commerce.

"As a tourism-dependent economy, the gradual lifting of pandemic-related restrictions should revive the country's growth this year and accelerate it in 2022," said ADB Country Director for Georgia Shane Rosenthal. "While the vaccine rollout will be key to a fast recovery, increasing access to finance for small and medium-sized enterprises, expanding e-commerce, and transforming agriculture to boost food exports will be vital to Georgia's long-term economic growth and the livelihoods of Georgians."

ADB projects inflation to slow to 5.0% in 2021 and 3.5% in 2022, although this remains above the National Bank of Georgia's inflation target of 3.0%. The current account deficit is projected to narrow to 10% of GDP in 2021 and 7% in 2022 as the merchandise trade balance and tourism gradu-



ally improve.

With extensive government support to offset food supply disruptions, agriculture is expected to grow by 3.2% in 2021 and 3.9% in 2022. Investment is projected to contract in 2021 as private investment falls by 7.5% but should expand next year.

Exports are projected to grow by 7.1% in 2021 before ramping up by 20.4% in 2022 as the global recovery strengthens, while imports are projected to expand moderately by 3.6% in 2021 and by 8.9% in 2022.

The ADB report highlighted the need for Georgia to elevate agriculture development by improving farm knowledge, connectivity, financial access, and technological capability. Establishing modern agroprocessing, improving market access, and attracting private investment could foster competition and improve export potential.

The government should also

continue encouraging investment in irrigation systems to enhance productivity, improve the quality of its agricultural exports, and meet the standardization requirements of the European Union and other advanced markets.

ADB has supported Georgia since 2007 and is one of the country's largest multilateral development partners. Sovereign and nonsovereign loans to Georgia total \$3.5 billion. ADB's key development priorities in Georgia include fostering inclusive and sustainable economic growth, reducing poverty, enhancing regional connectivity, and improving public service delivery.

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. Established in 1966, it is owned by 68 members - 49 from the region.

## United Nations Country Team presents annual progress report for Georgia

from page 2

development efforts in Georgia represented a significant financial mobilization.

"In 2020, the UN Country Team in Georgia continued to closely work with the Government, Parliament, civil society as well as many other partners to provide assistance in the areas of socio-economic development, protection of the environment, strengthening the rule of law, human rights, gender equality and democratic values, reinforcing social justice, making quality education and healthcare available to all," said Sabine Machl.

She noted that because of the COVID-19 pandemic the UN Country Team has repurposed over USD 20 million to strengthen institutions at the national and local level to prevent and address the socio-economic impact of the COVID-19 pandemic and to mitigate the impact of the coronavirus outbreak on human lives and livelihoods, with the main focus on the most vulnerable.

Both, Mr. Darchiashvili and Ms. Machl highlighted their expectation that the new UN Sustainable Development Cooperation Framework - which was signed after intensive consultations throughout last year - will yet give new impetus to the

Georgia-UN cooperation for the coming five years.

Marine Chitashvili, Team Leader of the UN Resident Coordinator's Office, presented the UN's achievements in five main areas: 1) Democratic governance; 2) Jobs, livelihoods and social protection; 3) Education; 4) Health; and 5) Human security and community resilience. Among the main achievements in 2020, she outlined: support to the elaboration and adoption of the Code on the Rights of the Child, the 2021-2030 Migration Strategy and the National Youth Policy for 2020-2030; supporting improvements in preschool and primary teaching; support to the government's implementation of the Decentralization Strategy for 2020-2025; developing the system for vocational education and training to diversify rural occupations and help professionalize farming; assistance to vulnerable groups in conflict-affected communities, and formulating climate change policies and supporting the reduction of the risk of floods and other climate-driven disasters benefitting up to 1.7 million people (40% of population).

Organised by the United Nations Country Team in Georgia, the event brought together representatives of the Georgian parliament and government ministries.